IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH
AT HYDERABAD

THE HON'BLE MR JUSTICE N.V. RAMANA

WRIT PETITION NO : 22311 of 2006

DATED: 6-11-2006

Between:

P.Koteswara Rao petitioner

And

The Girijan cooperative Corporation Limited
Visakapatnam rep by its Vice Chairman &
Managing Director and others Respondents

THE HON'BLE SRI JUSTICE N.V.RAMANA

WRIT PETITION NO. 22311 OF 2006

ORAL ORDER:

The present writ petition is filed questioning the proceedings of the first respondent dated 10.4.2006 ordering recovery of an amount of Rs.75,354-62 from the petitioner and the consequential show cause notice issued by the second respondent dated 3.6.2006 calling for explanation as to why the deficit amount should not be recovered from his salary.

2. The petitioner herein is employed as Senior Assistant in the respondent corporation. While so, first respondent issued proceedings dated 10.4.2006 stating that deficits were noticed in respect of MFP Commodities at Bhadrachalam for the period 2003-04 and ordering for recovery of the said amount from that the petitioner herein and another viz., G.Syamalarao on the ground that they had handled the stocks during the said period. Consequent to the said proceedings, the second respondent issued show cause notice dated 3.6.2006 calling upon the petitioner to submit an explanation as why the inadmissible deficit amount of Rs.75,354-62 should not be recovered from his salary. Hence, the present writ petition.

3. Learned counsel for petitioner mainly contended that the impugned proceedings dated 10.4.2006 were issued ordering for recovery, without conducting any enquiry and without affording reasonable opportunity to the petitioner and thereafter the second respondent has issued a show cause notice, which is in violation of principles of natural justice.

4. Since, the determination of amount and recovery of the same

was ordered without calling for any explanation and without conducting an enquiry and thereafter a show cause notice was issued, which is contrary to the procedure contemplated under law, this Court by order dated 30.10.2006 while granting interim stay of recovery, directed the second respondent to appear in person. Today when the matter is taken up, the second respondent appeared before this Court in person and given an undertaking that he will follow the procedure contemplated under law. His undertaking is placed on record.

5. Heard learned counsel for petitioner and learned Standing Counsel for respondent corporation. Both counsel agreed for disposal of the writ petition at the admission stage.

6. Having regard to the fact that the respondents had determined the amount and ordered for recovery of the same by order dated 10.4.2006 without any enquiry and affording reasonable opportunity to the petitioner, the proceedings dated 10.4.2006 and the consequential show cause notice dated 3.6.2006 are hereby set aside. However, the respondents are at liberty to issue proper notice as contemplated under law and proceed further in the matter in accordance with law. The recoveries, if any made pursuant to the impugned order dated 10.4.2006 shall be subject to the result of the enquiry proceedings.

7. Accordingly, the writ petition is allowed. No costs.

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N.V.RAMANA,J

DATE: 6.11.2006

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